

10

ANNUAL REPORT

OF

THE MANAGERS

OF THE

UNION CANAL COMPANY OF PENNSYLVANIA,

TO

THE STOCKHOLDERS,

FEBRUARY 7, 1860.

PHILADELPHIA:

JOHN C. CLARK & SON, PRINTERS, 230 DOCK STREET.

1860.

OFFICERS.

PRESIDENT.

R. RUNDLE SMITH.

MANAGERS.

ROBERT B. DAVIDSON,
WM. R. WHITE,
J. RODMAN PAUL, M.D.
DANIEL HADDOCK, JR.
ISAIAH HACKER,
HENRY LAPSLEY,

I. V. WILLIAMSON,
T. C. HENRY,
HERMAN COPE,
W. B. HASELTINE,
J. B. M-FARLAND,
THOS. WILLIAMSON.

SECRETARY AND TREASURER.

OSCAR THOMPSON.

R E P O R T .

THE last Annual Report of the Board of Managers of The Union Canal Company, stated to the Stockholders that on the sixth of November, 1858, the Board [in accordance with the advice of their counsel] had "surrendered the entire work to J. Rodman Paul, R. Rundle Smith and Oscar Thompson, the Trustees named in the Mortgage executed Oct. 28, 1857," and that the Managers were "indebted to those Trustees for the statement of receipts and expenditures from the sixth of November to the thirty-first of December, 1858."

In presenting the present, being the Forty-ninth Annual Report, the Board of Managers have to thank those Trustees for all that is stated herein relative to the receipts and expenditures for the whole year. For since the surrender to them, those Trustees have received all the revenues, and made all the disbursements incident to the management of the Canal, while the main business of the Board of Managers has been

the defending or compromising the various litigated claims arising out of the failure of the Company in 1857.

The navigation of the Canal commenced on March 21, and was continued until December 12, although no boats passed after December 5, except those working their way homewards.

During this period, being two hundred and sixty days, the whole number of permits granted to boats navigating the Canal, was seven thousand seven hundred and sixty, being an average of about thirty boats per day.

The number of permits granted in 1859 being 7760 while the number granted in 1858 was - 6666

there is an increase during 1859, of - 1094
in the whole number of permits issued. But the number granted to boats using a portion of the Schuylkill and Union Canals, under the agreement with the Schuylkill Navigation Company, during 1859, having been - - - 1928 while those granted in 1858 amounted to 1987

there has been a decrease during 1859, of 59
in the number of joint permits issued.

The receipts during 1859 were \$111,894 97
Of this amount there was received—
From rent of landings, &c. \$1,053 72
From towing, 174 50
From miscellaneous sources, 53 25

1,281 47

Leaving the amount received \$110,613 50
from tolls alone,

From which, deducting the 20 per cent.

on their tolls allowed to the Schuyl-
kill Navigation Company, \$5,048 85

And the drawbacks allowed, 2,911 58

7,960 43

The nett tolls for 1859 amounted to \$102,653 07

The nett tolls for 1858 having been 97,978 40

There has been an increase during
1859, of 4,674 67

in the nett amount of tolls received.

The expenditures during 1859 have been \$97,766 40

These expenditures have been—

For the ordinary expenses of

the work, \$51,564 35

For relaying rail road track, 2,132 09

For towing boats, rent, and

agents, 5,937 42

And for professional services

and costs, 2,754 84

62,388 70

Leaving a balance of \$35,377 70

This balance has been expended in paying—

Land damages, \$1,250 00

Interest on coupon certifi-

cates, 14,307 70

Principal of floating debt, 19,820 00

\$35,377 70

The total amount of tonnage which passed over
the Union Canal in 1859, was 263,040 tons.

While during 1858 it was 205,517 ,,

Showing an increase this year of 57,523 ,,

This increase has been in—

Iron Ore,	-	-	57,211	tons.
Limestone,	-	-	14,209	„
Iron,	-	-	4,867	„
Grain,	-	-	1,311	„
Copper Ore,	-	-	611	„
Shingles,	-	-	211	„
Whiskey,	-	-	111	„

Amounting to 78,531 tons.

But there has been a decrease in coal, cordwood, fish, flour, groceries, merchandise, plaster, salt, rail road sills and sundries, amounting to

21,008 „

Leaving the actual increase 57,523 tons of 2000 lbs.

The amount of coal carried over the rail road to Pine Grove, during 1859, was 125,362 tons.
While during 1858 it was 137,394 „

Showing a decrease this year of 12,032 „
in the amount carried over the rail road; and the amount shipped on the Canal has decreased 4877 tons.

As has been already stated, the chief business of the Board of Managers has been defending or compromising various litigated claims against the Company.

The suit brought in May, 1858, by the holders of \$205,000 of the Bonds, was settled and discontinued May 16, 1859, by the Company agreeing to pay the

expenses incurred, and allowing any of the parties who desired it, to come in to the Bondholder arrangement for funding coupons, on the same terms as those who had originally acceded to the plan of settlement.

The suit brought by the Six Penny Saving Fund was compromised May 11, 1859, by the Company agreeing to pay the expenses incurred. And the appointment of a receiver, which had been made at their request, was set aside May 21, 1859.

A suit brought by George Manley, at Harrisburg, in the fall of 1857, for work alleged to have been done for the Company, was tried May 3, 1859, and a verdict rendered in favour of the Company, thus disposing of a claim for over five hundred dollars.

A Bondholder, named Shoemaker, sued the Company before an alderman for a coupon overdue, and obtained judgment June 29, 1859, for \$30.30. From this judgment an appeal to court was taken, on the ground that the suit was brought upon a coupon attached to a bond, the former holder of which had agreed to give an extension until May 1, 1860. This suit is still pending.

A suit was brought August 25, 1858, against George Smuller, formerly collector at Middletown, to recover the amount of tolls collected by him (about \$1100), and not paid over, as he alleged a right to retain them in payment of certain notes issued by the Company and remaining unpaid at maturity. This suit is still pending.

The Managers and Officers have all been indicted, and compelled to give bail in Lebanon County, to answer the charge of maintaining a nuisance in the mill pond at Lebanon, and allowing the pond engine

dam to become dry in midsummer by diverting the water from it to the canal.

An injunction has also been asked for from the Court in Lebanon County, to restrain the Company from using the waters of the Quittapahilla for supplying the Canal at the summit, until they pay to certain millers the damage they allege they sustain by the diversion of the waters of the creek from their mills to the Canal. Both of these suits are pending.

A Bill in Equity has been filed, and an injunction asked for, to prevent the Company from using the Canal through the lands of Isaac Wenrich, in Lebanon County, until certain damages alleged to have been sustained by him, have been fully paid by the Company. This suit is still pending.

The Lorberry Creek Rail Road Company at Pine Grove, whose road connects with the Union Rail Road, brought suit in Schuylkill County in August last, and applied for an injunction to restrain the Union Canal Company from preventing them from connecting with or crossing the Union Rail Road. And this Company, under the advice of their counsel, filed a Bill in Equity, and applied for an injunction to restrain the Lorberry Company from extending their rail road below the present connection, and making a road parallel with and at the side of the Union Rail Road. Both of these suits are still pending.

It thus appears that three suits against the Company have been settled during the past year; and seven new suits have been brought, which are still pending. And the expenses of litigation, since the failure of the Company, have amounted to over five thousand dollars.

Besides this, the extension granted by the creditors of the Company will expire on May first next. And if no arrangement can be effected for funding the debts, and allowing the Bondholders to receive the nett earnings in payment of their interest, there is great danger of being involved in an amount of litigation, which will be utterly disastrous to the prospects of the Canal.

Some of the largest Bondholders matured a plan, and called a meeting of the Bondholders on the 25th ultimo, to whom that plan was submitted. It contemplates the settlement of the entire floating debt of the Company, by an amount of Bonds to be surrendered by the Bondholders for that purpose. Whether that plan will be adopted can not at present be stated, as the matter was referred by the meeting to a committee, who have not yet reported.

It is to be ardently desired that that plan, or some other like it, may meet the approval of the Bondholders, as the Managers believe that if every creditor is to harass the Company with litigation, but little, if any thing, will ever be realized for any one holding the obligations of the Company.

All of which is respectfully submitted.

By order of the Board of Managers.

R. RUNDLE SMITH,
President, &c.

February 7, 1860.

*Comparative Statement of the Business of the Union Canal
from its opening to the present time.*

Years.	Tons.	Tolls received.	Average rate per ton. Cts. Mills.
1828	18,124	\$15,512	85 5
1829	20,522	16,676	81 3
1830	41,094	35,133	85 5
1831	59,970	59,137	98 6
1832	47,645	59,061	1 23 9
1833	85,876	103,462	1 20 5
1834	84,536	119,870	1 41 8
1835	118,978	135,254	1 13 7
1836	117,136	133,025	1 13 6
1837	110,032	107,590	97 8
1838	126,870	123,575	97 4
1839	138,568	135,163	97 5
1840	115,292	110,855	96 1
1841	83,624	66,601	79 7
1842	83,106	57,477	69 2
1843	76,959	53,538	68 2
1844	79,871	56,580	70 8
1845	102,593	60,036	58 5
1846	114,920	62,682	54 5
1847	139,256	91,356	65 6
1848*	153,222	95,953	62 6
1849	148,332	86,800	58 5
1850	128,438	76,269	59 4
1851†	45,768	17,319	38 8
1852	152,143	84,056	55 2
1853	195,011	105,871	54 3
1854	172,696	98,787	57 2
1855‡	151,571	72,915	48 1
1856‡	247,307	107,844	43 6
1857	271,387	131,022	48 2
1858	205,517	104,101	50 6
1859	263,040	110,613	42

The Pine Grove Coal Trade.

Years.	Tons.	Years.	Tons.	Years.	Tons.
1833	3,500	1842	32,500	1851†	
1834	6,911	1843	22,000	1852	56,450
1835	14,000	1844	29,000	1853	64,939
1836	12,000	1845	35,000	1854	43,614
1837	17,000	1846	55,500	1855‡	43,231
1838	15,000	1847	60,499	1856‡	79,905
1839	20,885	1848*	64,686	1857	71,300
1840	20,500	1849	72,156	1858	51,564
1841	19,500	1850	62,866	1859	46,687

* From November 1, 1847, to January 1, 1849, fourteen months.

† Open only from Lebanon to Reading, during enlargement of western division.

‡ Open only from Lebanon to Middletown, during enlargement of eastern division.

*Statement of Tonnage which passed the Union Canal from
January 1, 1859, to January 1, 1860.*

	Tons.				
Anthracite Coal,	-	-	-	-	69,254
Iron Ore,	-	-	-	-	82,804
Iron,	-	-	-	-	15,967
Lumber,	-	-	-	-	29,569
Limestone,	-	-	-	-	29,008
Bituminous Coal,	-	-	-	-	5,613
Grain,	-	-	-	-	12,180
Flour,	-	-	-	-	1,269
Shingles,	-	-	-	-	1,586
Cordwood,	-	-	-	-	1,521
Lime,	-	-	-	-	1,185
Groceries,	-	-	-	-	1,651
Salt,	-	-	-	-	1,263
Plaster,	-	-	-	-	2,610
Copper Ore,	-	-	-	-	1,760
Merchandise,	-	-	-	-	364
Lath,	-	-	-	-	302
Fish,	-	-	-	-	523
Queensware,	-	-	-	-	247
Whiskey,	-	-	-	-	160
Staves,	-	-	-	-	259
Bark,	-	-	-	-	379
Corn Meal,	-	-	-	-	82
Soap Stone,	-	-	-	-	447
Sundries,	-	-	-	-	3,000
					<hr/>
Tons,					263,040
					<hr/>

*Statement of the Quantity of Coal sent from Pine Grove, from
January 1, 1859, to January 1, 1860.*

Coal transported over the Union Rail Road, from the mines to Pine Grove, during 1859,	-	-	125,362
Coal shipped from Pine Grove on the Canal (of which 2564 tons passed out at Portsmouth), during 1859,			46,687

All the foregoing tonnage is in nett tons.

